1 & JUL 1977

MEMORANDUM FOR: Deputy Director of Central Intelligence

FROM

John F. Blake

Deputy Director for Administration

SUBJECT -

: Special Retirement Options

- Action Requested: That the Director of Personnel be authorized to approve special retirement options to be exercised 15 July through 30 September 1977 by those Career Services justifying their need under specific circumstances.
- Background: On previous occasions, the Agency has offered liberalized retirement options; i.e., discontinued service retirement under the Civil Service Retirement Act and involuntary retirement under the CIA Retirement and Disability System, to individuals eligible by virtue of age and years of service. In recent times, options have been offered not across-the-board but to meet specific circumstances where individual components have expected to be above strength in the absence of such special options or in anticipation of a need to resolve such special problems as that of opening room for a greater inflow of young professionals. Such use of the special options has been discussed with the Civil Service Commission within the past year and reviewed by the General Counsel as recently as 21 December 1976. The latter found it appropriate that the Director of Personnel retain the discretion, under the proposed approval arrangements, not to offer options more broadly than is justified by actual situations existing within the Directorates or Offices.

Staff Position:

a. As on several past occasions, this special opportunity to retire is not justified on the basis of aggregate Agency on-duty strength projections. For some Directorates it is a different matter, as they are faced with ceiling reductions and the possibility of having

surplus personnel. All Directorates are facing problems because of unusually low rates of attrition that have produced exhaustion of headroom, creating serious barriers to the advancement of deserving employees and that preclude the desirable rate of inflow of those officers who will be the future of this Agency. To the extent that individuals in these components and Directorates choose to retire under the special retirement options, a component is more able to hire and promote.

- b. There have been indications that the Directorates would like to be able to make limited offerings of the special retirement options. The Director of Personnel should serve as the review mechanism, as in past instances, to assure that proposals to offer the options at Directorate or Office levels, or within occupational or grade categories, are justified and applied within the context of criteria governing the offering of these options.
- c. Under legislative authority, the next cost-of-living adjustment of retirement annuities will occur on 1 September 1977. It is expected that many potential retirees will time their retirements before this date. As the end of the fiscal year is 30 September, it is proposed that the special retirement options be offered from 15 July through 30 September 1977.
- 4. Recommendation: That the Director of Personnel be authorized to offer from 15 July through 30 September the special retirement options upon his review and approval of specific proposals received from the Deputy Directors and the Chairman of the Executive Career Service; which serve to resolve a problem of surplus of personnel or other serious management concerns at organizational levels or within occupations or grade categories.

John F. Blake

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APPROVED/DISAPPROVED:

Acting Deputy Director of Central Intelligence

Prior to actually implementing the program, I would like to be made aware of the "specific proposals received from the Deputy Directors and the Chairman of the Executive Career Service" and, further, would like to have the paper giving me this information bear the concurrence of the General Counsel. I would also appreciate in that paper any projections you can have as to the number of retirees we might expect by virtue of this exercise.

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